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NARCOTIC DRUGS

Letter dated 31 May 1991 from the representatives of Peru and
the United States of America to the United Nations addressed
to the Secretary-General

The Permanent Representative of Peru to the United Nations and the Acting Representative of the United States of America have the honour to transmit the text of the Agreement between the United States of America and Peru on drug control and alternative development policy, signed 14 May 1991 (see annex).

This bilateral agreement reflects fundamental principles and policy guidelines of the Political Declaration and the Global Programme of Action approved by the General Assembly in its seventeenth special session devoted to the question of international cooperation against the illicit production, supply, demand, trafficking and distribution of narcotic drugs and psychotropic substances (New York, 20 to 23 February 1990).

Lastly, we have the honour to request that said text be circulated as an official document of the General Assembly under item 97 of the preliminary list.

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ANNEX

Agreement between the United States of America and Peru
on drug control and alternative development policy

(Lima, 14 May 1991)

A. INTRODUCTION

1. Within the context of the bilateral talks held in Washington, D.C. and Lima, between January and April 1991, representatives of the Governments of the Republic of Peru and the United States of America have assessed the agreements signed at the presidential summit of Cartagena on combating illicit trafficking in drugs and psychotropic substances.
2. Both Governments undertook to strengthen the comprehensive nature of the policies needed to achieve a solution to a problem that is both complex and one of such varied ramifications.
3. On the basis of an exhaustive analysis and an open dialogue, the Governments acknowledge that the actions developed thus far in combating narcotics trafficking in Peru have not had the desired results. Until this past year, the area devoted to coca cultivation has increased rather than decreased, and there is evidence that organized foreign elements and armed Peruvian gangs have begun participating in marketing and expanding the cultivation of the crop within the country.
4. In view of this situation, the Governments have reached a political understanding to create a joint venture, which must be coordinated at the highest appropriate political level in both countries, in order to develop a strategy which has the goal of attacking the real causes of the problem, both from the supply and the consumption sides, and to provide the tools necessary to attain, in the shortest possible time, the substantial reduction or total elimination of the illegal cultivation of the coca leaf in Peru and the commercialization of its derivatives.
5. The Governments consider as well that this bilateral agreement is of vital importance in achieving the global anti-drug objectives of all mankind, involving as it does simultaneously the largest consumer of coca derivatives and the largest cultivator of coca leaf. Close coordination at the highest decision-making levels between the sovereign Governments of those territories in which such a preponderant share of the production and consumption of this scourge is concentrated would make it possible to react quickly, and be at all times in a position to break the chain of narcotrafficking at its weakest links and at the timeliest opportunities.
6. The Governments believe that the viability and stability of an international understanding of cooperation depend to a great extent on its acceptance by public opinion in the signatory countries. The consensus obtained in Peruvian public opinion by the Fujimori Initiative, and the

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generalized acceptance of the creation of a single organization directly under the President of the Republic to deal with various facets of this problem - an autonomous authority - lends to this agreement a legitimacy that will transform it into an effective weapon in the war against narcotics trafficking.

7. Thus, by determining Peruvian concerns and consensus, and incorporating them into a strategy that combines them with the policy of the United States, this agreement is intended to transcend the traditional type of cooperation between the United States and Peru in this area. In the new form of cooperation suggested by the agreement, the effort to combat narcotics trafficking is understood as a task for both countries, a joint venture as envisioned in the Declaration of Cartagena, rather than fundamentally as a United States concern and responsibility in Peruvian territory.

8. The partnership between both countries at the highest political level will also make it possible to benefit from the invaluable experience and global perspective that have been gained in Peru with respect to the cultivation, marketing and other aspects of coca supply. Similarly, it will encourage the participation in this struggle of those Peruvians most competent, in both the military and police fields and in other areas related to technology, development, human rights, and environmental protection, thereby enabling it to become a national priority.

9. The cooperation of both Governments in formulating and implementing a global strategy also makes it possible to assess the possibility of giving greater and more detailed consideration to actions to be taken on the supply side inasmuch as:

(a) Those Peruvian farmers who grow coca do so, despite the fact that various other crops could prove equally or more profitable to them, as long as coca leaf prices remain low. Their dependence on the coca crop can be overcome, provided structural adjustment and alternative development measures are implemented, and the required infrastructure is equipped to offer the necessary facilities, and remove the obstacles to producing and selling many products alternative to coca;

(b) The coca-growing farmers constitute an economic and social class quite distinct from those individuals devoted to narcotics trafficking. The farmers are poor and engage in this activity primarily for subsistence reasons, because they cannot legally enter into another; the traffickers are prosperous and face no such barriers. Unlike the traffickers, the farmers do not have to depend on coca; they may, and in fact do, grow other profitable commodities. The farmers are, for the most part, already prepared to be organized as participants in a dialogue that seeks to achieve the goals we feel are set forth in this agreement, and to become the principal performers of the actions underlying this strategy and espoused thereby.

10. Consequently, the Governments of the United States of America and the Republic of Peru have reached a political understanding to cooperate within

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the framework of this joint venture, to establish and carry out a common strategy to combat drug trafficking, based on the policies formulated below.

B. POLICIES

Institutional strengthening

11. The Governments undertake to complete within six months of the date of the signing of this agreement, the structure of this joint venture in order to establish and implement strategies against drug trafficking and in favour of alternative development.

12. Prior to that date, Peru should have created the legal framework for and put into operation an autonomous authority at the highest political level, reporting directly to the President of the Republic, with the objective of achieving efficient coordination with a decision-making authority at equivalent high levels in the Government of the United States of America. In this way, the division and overlapping of authority presently affecting the widely diverse sectors involved in the administration of both countries can be overcome.

13. With regard to interdiction and security measures, the Government of Peru shall propose policies designed to remove incentives for drug trafficking. The Government of Peru may also set policies for the coordination among the Peruvian National Police, the Army, the Navy, and the Air Force so as to achieve prompt results in matters relating to security, controls, interceptions and required seizures. To that end, a Peruvian autonomous authority shall be responsible for allocating the resources necessary for the battle against illicit trafficking in drugs, as well as overcoming the numerous obstacles that currently exist.

14. The Governments are aware that measures relating to security and interdiction will require a system of coordination between both countries, inasmuch as the purpose behind the institutionalization of the joint venture is to combat a powerful enemy - drug trafficking - in which actions are rapid and unpredictable and tend to infiltrate politics and government.

15. The signatories recognize the need for involvement on both sides of persons or agencies that can make it possible to activate powerful political tools to achieve the objectives set out in this agreement. Some examples are President Bush's Enterprise for the Americas Initiative, the Brady Plan by the United States Secretary of the Treasury, and the Cartagena Declaration. Two other examples are President Fujimori's Initiative, and President Bush's Project Hope, both of which place the fight against drugs within an overall framework intended to extend to the poorest sections of the country the benefits of private ownership, structural reform, alternative opportunity, and the market economy.

Human rights

16. Both parties recall the words of the Cartagena Declaration that nothing would do more to undermine the war on drugs than a disregard for human rights by the participants in the effort, and they reiterate the importance of carrying out this battle within the context of internationally developed standards of human rights such as the United Nations Declaration on Human Rights and the Geneva Conventions. President Fujimori's inaugural address outlined a policy of unrestrained respect for human rights, which both parties agree should include actions such as unrestricted access for the International Committee of the Red Cross.

Structural adjustment and alternative development

17. The Government of Peru believes, and the Government of the United States takes note, that a sound structural adjustment programme must be put into operation, since it is only by correcting economic policies, which distort the market for production of legal goods and services, that incentives and resources will be created for investment in alternative development.

18. In this connection, it will also be necessary to include under this category reforms that will guarantee, first of all, that the institutional causes of structural distortion themselves are corrected so that the adjustment will be feasible and lasting, and, secondly, to give priority to measures at the micro-economic level that will provide direct benefits for the underprivileged sectors, which are those most intimately involved in the growing and initial processing of coca.

19. The institutional causes of the distortions will be eliminated only if citizens have access to relevant information and can participate in the process of making rules and decisions relative to their problems. Furthermore, there must be efficient judicial and administrative systems to which all citizens can turn, should their opportunities to engage in legal productive activities be limited, above all when this is the result of arbitrary and abusive actions on the part of the State or other organizations.

20. The micro-economic structural adjustment must be directed at structures that have the greatest effect on the disadvantaged, who account for most of the Peruvians engaged or likely to be engaged in coca cultivation, and are those referred to in relation to the difficulty or legal impossibility of developing full rights in legal markets, which are today artificially restricted. The micro-economic adjustment will be directed especially towards allowing farmers universal and rapid access to formal land ownership and the profits thereof, its utilization in obtaining credit, access to business and foreign trade, and participation in price setting.

21. Specifically, the micro-economic structural adjustment in coca-producing areas would involve the following:

(a) Creating the democratic tools that would make it possible to involve the citizens directly in the decision-making process;

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- (b) Recognizing, adjudicating and registering property rights;
 - (c) Wherever there is illegal coca production, agreements on substitution with the farmers, their legal representatives and/or organizations who will receive the benefits of the measures enumerated here;
 - (d) Eradication programmes that take into consideration the safeguarding of human health and preservation of the ecosystem, which should be reviewed in each case as to whether eradication can be most effective as a voluntary or compulsory programme or a combination of the two, and as to their probable political and social consequences;
 - (e) Fostering new economic opportunities, such as programmes for alternative development and crop substitution, which will help to dissuade growers from initiating or expanding coca cultivation. Our goal is the sustained reduction in the total area under illicit cultivation;
 - (f) Implementing reforestation programmes in those areas from which coca is eradicated, but which are unsuitable for farming;
 - (g) Providing substantial help in granting access to entrepreneurial activity and to credit for all those involved in alternative development activities, including crop substitution;
 - (h) Dismantling of obstacles and bureaucratic mechanisms, particularly those that limit production, trade and export of alternative goods;
 - (i) Encouraging all parties interested in providing technical solutions and carrying out concrete projects for alternative development with the farmers and/or their organizations.
22. Alternative development activities should not be limited solely to coca-producing areas, but should also include areas where the migration of labour to those zones originates. They should also include activities that can offer alternative employment to persons who are growing coca or might decide to do so in the future.

Security

23. In order to achieve the objectives set forth in this agreement, it will be necessary to establish a framework of justice, respect for human rights, order, security, and peace in all the zones linked to drug trafficking and related activities.
24. To establish such a framework, it will be necessary to provide security to areas where the substitution process is implemented and to protect interdiction activities. The objective of all such actions is to allow civilian entities to facilitate alternative development and structural adjustment measures. Security will be provided in accordance with international standards of human rights observance.

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25. The Governments intend to establish, in the shortest possible time, a strategy whose central features are based on the following considerations:

(a) The need to feed, equip, train, provide with uniforms, and adequately support, the armed and police forces who will be fighting against narcotrafficking and those who support and encourage it;

(b) The possibility that military resources could also be dedicated to supporting actions of a social, economic and civic nature that benefit persons affected by narcotrafficking and violence in those areas where the two phenomena coincide;

(c) The necessity of taking measures required to facilitate access on the part of the affected population to the judicial and administrative systems, in order to protect human, civil and political rights and property; and

(d) The possibility of equipping the police and armed forces, to the extent possible, using locally-produced raw materials, supplies and labour.

Interdiction

26. Interdiction efforts should be carried out at each stage of the illegal production, distribution, and consumption process of cocaine and its derivatives, and should be part of the comprehensive security plan established by the Government of Peru. The framework of justice, public order, security, and peace being sought should not be jeopardized at any time.

27. Interdiction actions are of various types and may be summarized as follows:

(a) Elimination of the coca crops in accordance with pacts reached with the coca-producing farmers and with the policies of the Government of Peru on that matter;

(b) Inspection, investigation and control of essential chemicals diverted to illicit drug trafficking (IDT);

(c) Location and destruction of processing centres for illicit drugs;

(d) Control, seizure, or destruction of infrastructure or means of transport used by IDT;

(e) Dismantling organizations dedicated to IDT;

(f) Combating drug addiction, and fighting the micro-production of illicit drugs, and the chains of supply and distribution;

(g) Investigating and prosecuting narcotraffickers and other persons linked to the processing of and trafficking in cocaine derivatives;

(h) Attacking illicit enrichment from various sources, and the concealment or laundering of illegally derived wealth, by such means as improved record-keeping by financial institutions, international information sharing, including records of financial transactions, investigations at the national and international level, law enforcement cooperation and investigating suspicious external signs of wealth; and

(i) Seizure of assets from individuals and organizations devoted to narcotrafficking, using such assets for the benefit of the counternarcotics activities of the Peruvian State.

28. To achieve all of this, greater efficiency on the part of the relevant agencies through better equipment, training, and payment of the police forces responsible for interdiction will be necessary, together with the development of a more comprehensive intelligence system in this area.

29. Effective interdiction will require, in addition, improving legal procedures and providing security to judges, together with the strengthening of, and the elimination of corruption in, the jail system.

Prevention

30. The Governments intend to make the public aware of the need to confront the problem of narcotrafficking and of drugs from every aspect, through specific preventive measures which can be summarized as follows:

(a) Sensitizing the public in general against drug trafficking and drug use through advertising campaigns and the distribution of educational material;

(b) Recruiting leaders to sensitize the public to the impact of drug trafficking and drugs, thereby converting them into agents of prevention; and

(c) Generating and disseminating information on drug trafficking, drugs, and their harmful effects on society, through research, training, technical assistance and the use of the media.

31. A relationship between Peruvian and United States preventive institutions should be developed and supported, with a view to sharing experiences and findings and establishing links for joint cooperation.

32. Through public and private efforts, the prevention programme should receive resources and assistance in developing its projects. Moreover, technical and financial assistance will be sought to increase available resources for this purpose.

Anti-corruption efforts

33. The Governments consider that one of the most pernicious aspects of drug trafficking is the destruction of the moral fiber of society by the

intimidation and bribing of judges, prison authorities, members of the military and police force, the government, private companies and political parties.

34. This corruption can be prevented by means of intelligence, investigative, and surveillance work, and by revising legislation and administrative procedures.

35. In this regard, the Government of Peru has already announced its intention to establish an anti-corruption committee, and both Governments are dedicated to preventing and investigating corruption and prosecuting the cases that arise.

The environment

36. The Governments of the United States and Peru intend to work jointly to determine the environmental effects of producing cocaine and its derivatives.

37. Both Governments intend to design and implement appropriate programmes to reduce the negative ecological impact of coca in the Amazon, and to ensure that security, interdiction, and substitution efforts do not produce negative environmental effects.

38. Special emphasis will also be placed on efforts with respect to the registration and granting of property titles, inasmuch as environmental problems generally result from the lack of a secure property system. Such a system will motivate farmers to preserve the environment since, as owners, they will be aware that proper and balanced use of their property will be of direct and permanent benefit to them.

C. SUPPORT MECHANISMS

39. The aforementioned policies can benefit from the following support mechanisms, without prejudice to other methods of cooperation, as a means of obtaining alternative development, reducing illegal coca cultivation, production of its derivatives and trafficking (as set forth in this agreement).

Access to international markets

40. An increase in trade and private investment is essential to facilitate sustained economic growth and to help offset the economic dislocation resulting from any effective programme against illicit drugs. The Governments will work together to increase trade between Peru and the United States, effectively facilitating access to the United States market and strengthening export promotion, including identification, development and marketing of new export products. The Government of the United States will also consider providing appropriate technical and financial assistance to help Peruvian agricultural products comply with United States admissions requirements.

41. The Governments may consider the establishment of economic and investment policies, as well as legislation and regulations, to foster private investment. Where favourable conditions exist, the United States will facilitate private investment in Peru, taking into account its particular conditions and potential.

External debt operations

42. A stronger economy is critical to reduced reliance on illegal coca production and drug trafficking. Within the framework of President Bush's Enterprise for the Americas Initiative, reduction or exchange of Peru's debt to the United States could be considered to support a strong, growth-oriented economic reform programme.

Support of international financial institutions

43. The Governments of the United States and Peru agree to work together to mobilize timely and effective support for Peru with multilateral and economic institutions in the framework of sound economic policies and effective programmes against drugs.

D. FINAL PROVISIONS

44. The Governments consider that a strategy that commits the Governments to implementing or strengthening a comprehensive, intensified anti-narcotics programme must address the issues of demand reduction, consumption and supply. Such a strategy, in order to reduce narcotics production and trafficking, also must include agreements regarding economic cooperation, alternative development, encouragement of trade and investment, human rights, as well as agreements on attacking the traffic in illicit drugs, and on diplomatic and public diplomacy initiatives.

45. The Governments recognize that these areas are interconnected and self-reinforcing. Progress in one area will help achieve progress in others. The order in which they are addressed in this document is not meant to assign to them any particular priority.

46. Economic cooperation and international initiatives cannot be effective unless there are concomitant, dynamic programmes attacking the production of, trafficking in, and demand for, illicit drugs. It is clear that, to be fully effective, supply reduction efforts must be accompanied by significant reduction in demand. The Governments recognize that the exchange of information on demand control programmes will benefit their countries.

47. The Governments intend that the joint venture created by this agreement will analyse in detail the policies and mechanisms to which reference has been made above. The two Governments will endeavour to implement the concepts and principles, as stated above, in each area of cooperation as allowed under the respective laws of each country. The agreement represents the political

understanding and the political undertaking of the Governments. Actual commitment in each area will be detailed in specific implementation agreements.

48. Pending the creation of the joint venture, the two Governments agree to take all appropriate measures to enhance law enforcement and other actions against narcotics trafficking.
